

Assembly Bill 90 Rural and Urban Doctor Initiative 3/14/07

Representative Jeffery Mursau

Chairperson Hines and members of the Assembly Committee on Public Health:

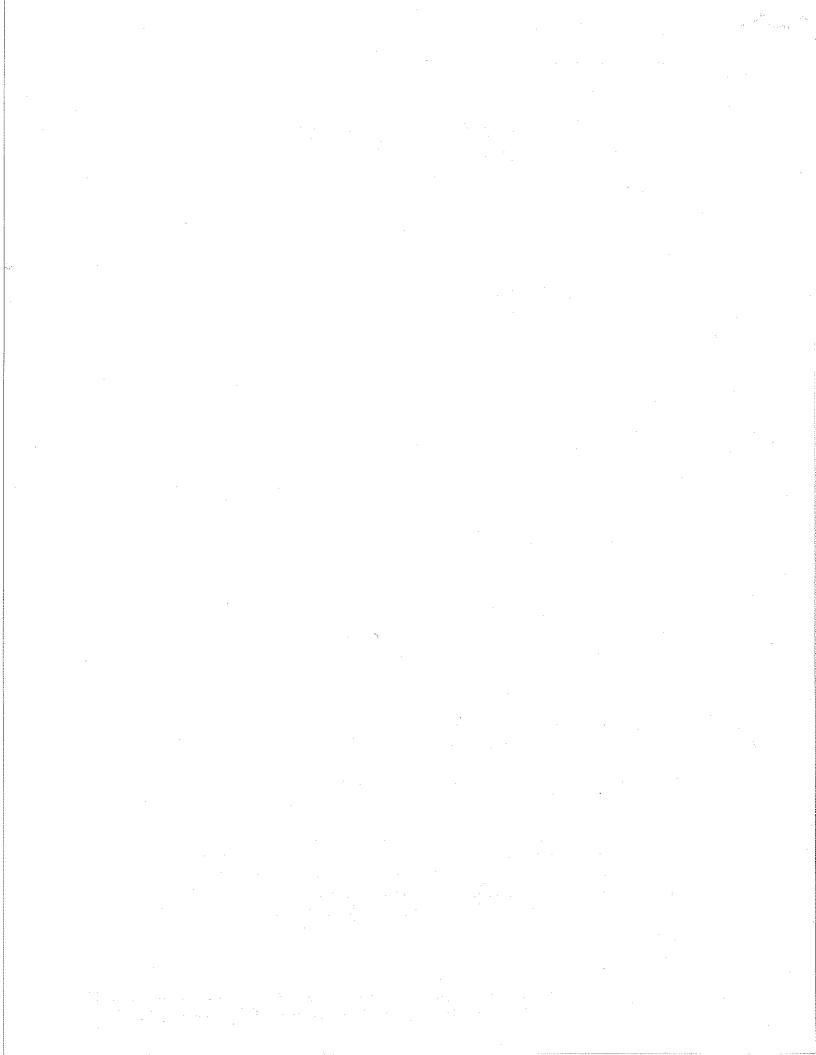
Access to healthcare is critical to maintaining good public health. However, many Wisconsin residents living in rural areas do not have easy access to a physician. According to a report by the federal Department of Health and Human Services, 20% of the nation's population lives in rural areas yet only 11% of practicing physicians are located in such areas. A similar problem is facing Wisconsin's inner cities.

I am offering Assembly Bill 90 as a way to improve access to healthcare in underserved areas of Wisconsin. AB 90 will provide an incentive to Wisconsin residents enrolled in either the University of Wisconsin Medical School or the Medical College of Wisconsin to practice medicine in an underserved part of the state.

Under the bill, a resident medical student may receive up to \$10,000 per year in the form of a loan from the Higher Education Aids Board (HEAB). The student is limited to a lifetime cap of \$50,000. In exchange for receiving the loan, the recipient must agree to practice medicine in an underserved part of Wisconsin for six years. After completing the first year of practice, 10% of the loan is forgiven. After the second year, an additional 10% is forgiven; 10% after the third year; 10% after the fourth year; 20% after the fifth year; and 20% after the sixth year.

The six year term, while long, was picked after discussions with officials from the two medical colleges and with physicians currently practicing in underserved areas. The belief is that doctors, who spend at least six years in an underserved area, are substantially more likely to stay after the completion of their obligation.

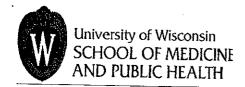
It has also been mentioned that a similar program, the Health Professions Loan Assistance Program, currently exists in the Department of Commerce. This program differs from what I am proposing, however, in that it does not provide the students with any loan assistance up front, it simply repays existing loans. My belief is that a program that provides up front assistance will get students thinking about their future and the type of practice they would like to establish, rather than thinking about it as a last resort upon graduation.



It was also pointed out that one minor fix is needed to the bill. On page 3, line 4 the phrase "in this state" needs to be added. This will clarify that the loan recipient must practice medicine in a health professional shortage area in Wisconsin, not Montana, for example. I am drafting this correction as an amendment to the bill.

In summary, increasing access to healthcare is important for Wisconsin. AB 90 will provide residents in rural and inner city Wisconsin with better access to physicians. It will also allow our residents to more easily afford medical school.

Thank you for allowing me to testify in favor of AB 90 and I will answer any questions you may have.



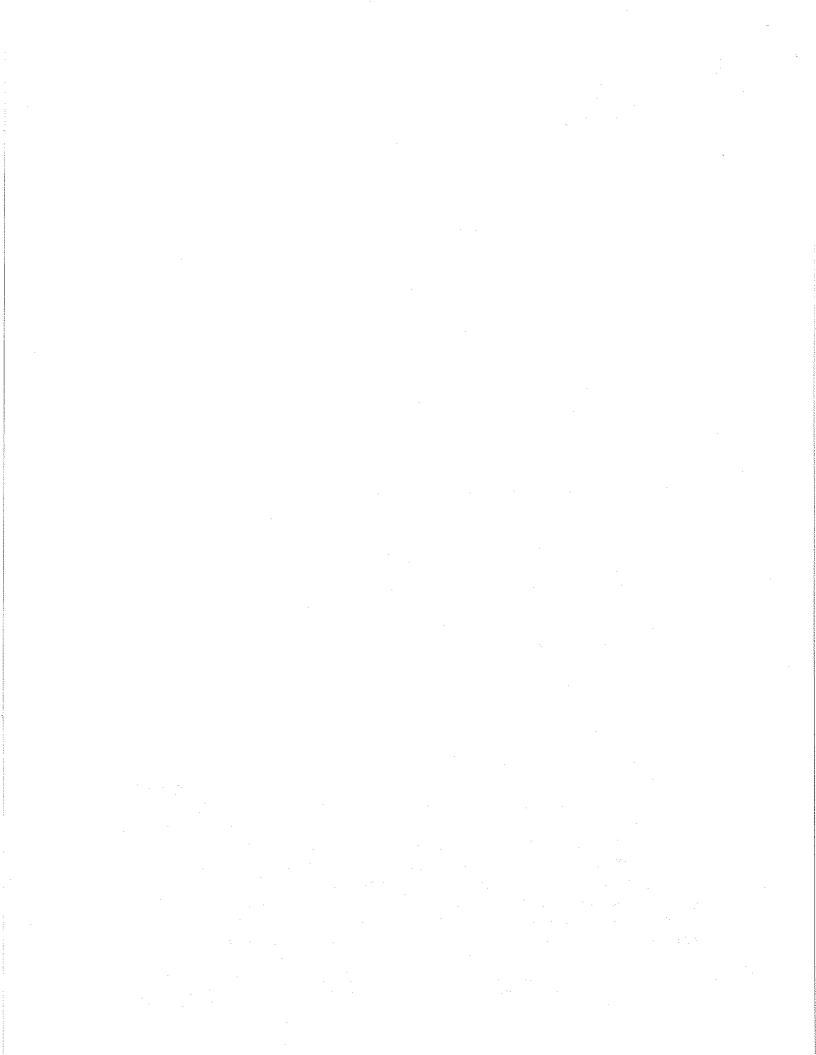
TESTIMONY IN SUPPORT OF ASSEMBLY BILL 90 March 14, 2007

Chairperson Hines and members of the committee. My name is Bob Golden, and I became the Dean of the UW School of Medicine and Public Health (UWSMPH) last July. Thank you for the opportunity to share with you my enthusiastic support of Representative Mursau's medical student loan program, Assembly Bill 90. As some of you may know our school supported this bill last session.

I think you are all fully aware of the impending physician and health care workforce shortage predicted not only for Wisconsin but for the entire country. Rural Wisconsin and central city Milwaukee are especially affected by this growing problem. Our aging demographics coupled with the growth in the state have resulted in an enormous need for legislation like this, as well as additional creative efforts to avert this potential "train wreck". It is forward thinking of the Legislature to begin planning now before the shortage is acutely felt by many more Wisconsin residents.

Current average medical student debt loan now is in excess of \$125,000 at the UW School of Medicine and Public Health. You might ask why it is so expensive and the answer is complex. Suffice it to say that our tuition and fees alone are currently more than \$22,000 for each of four years of training for Wisconsin residents, and more than \$33,000/year for out of state students. These costs are considerably lower than that of private medical schools, but among public schools, we are approximately #13 in terms of tuition expense. To put this price in perspective, however, the school derives only about 16% of its budget from state and university dollars.

At the UWSMPH we have begun a program that will assist with training and ultimately placing physicians in rural settings. WARM (the "Wisconsin Academy for Rural Medicine") will expand the medical student class size by increments of five students each year for five years, starting with next year's entering class. We select students for this new track in part based on their perceived affinity for rural practice. For their clinical years of training, we have developed statewide rural training sites, where they will spend about 80% of their time. We are seeking funding in an effort to develop a similar program for central city Milwaukee ("ACME", the Academy for Center-city Medical Education) which will provide clinical



experiences, leadership and community service learning opportunities for medical students committed to practicing in urban underserved areas. In addition, we would like to develop the Wisconsin Scholars Academy. Our goal here is to offer early medical school acceptance to sophomores in college chosen for their interest in medical practice in urban or rural underserved areas.

We are pursuing a budget amendment that would provide modest funding for these three programs. We estimate approximately \$1 million each year would be needed to implement and strengthen these programs.

Assembly Bill 90, coupled with the programs outlined above, will go a long way towards lessening the impending physician shortage by developing "pipelines" that would strategically target our underserved rural and urban areas of the state. Thank you again for the opportunity to offer our strongest endorsement for this bill. I would be happy to answer any questions.

WISCONSIN HOSPITAL ASSOCIATION, INC.

To: Representative Hines and Members of the Assembly Committee on Public Health

From: Judy Warmuth, Vice President, Workforce Development

Wisconsin Hospital Association

Date: March 14, 2007

RE: Testimony in Support of AB 90

Good Morning.

My name is Judy Warmuth and I am the Vice President of Workforce Development at the Wisconsin Hospital Association. I am pleased to have the opportunity to talk with you today in support of AB 90.

In 2004, the Wisconsin Hospital Association published, "Who Will Care for Our Patients?", a review of the current and future physician supply for Wisconsin. I have copies for the committee. That document points out that a current maldistribution of physicians exists in Wisconsin and a future shortage and maldistribution of physicians will happen without significant changes to the current system of educating and recruiting students.

This legislation addresses both the shortage and the maldistribution issues.

The future shortage will be caused by several factors that include increased demand by aging Wisconsin residents, an aging physician workforce that will be retiring in significant numbers, and a relatively static number of graduates from Wisconsin's two medical schools. Solutions to future physician issues must be addressed immediately as it takes at least 10 years of education to prepare a physician.

While there are a number of solutions to the future shortage, one of the simplest is to keep, in Wisconsin, the physicians that we educate here. Less than 40% of physician graduates of the two Wisconsin Medical Schools practice in Wisconsin. In general, Wisconsin has trouble keeping its educated residents. Better salaries, attractive jobs, research opportunities and urban lifestyles are some of the reasons. For physicians, who finish medical education with great debt, there may be more incentive to leave Wisconsin than to stay. Any and all efforts that keep our educated physician workforce in Wisconsin should be utilized. This proposal is attractive in that it expands a system that currently exists to address the physician workforce shortage buy keeping graduates of Wisconsin schools in Wisconsin's workforce.

This program also places physicians in the geographic areas of greatest need. By requiring practice in a health professional shortage area for repayment, this program will assist the difficult task of recruiting physicians to locations in Wisconsin that already demonstrate a shortage or need.

This bill is good for the healthcare workforce and good for the health of Wisconsin.

